

3. On April 27, 2007, my uncle Woon Cheung Leung and I acquired the Bonds that were issued by Argentina pursuant to a Fiscal Agency Agreement, dated as of

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October 19, 1994 (the "1994 Fiscal Agency Agreement")<sup>1</sup> in the aggregated principal amount of \$375,000 having the ISIN No. US040114AZ32 and CUSIP No. 040114AZ3. The Bonds are deposited under the name of our bank, Citicorp Financial Services Corp., and have been booked electronically by Citicorp Financial Services Corp. in our name. Copies of our two most recent account statements, both for the period of July 1, 2007 to September 30, 2007, are annexed hereto as Exhibits 1 and 2. Those statements indisputably show that we continue to own the Bonds.

4. Notwithstanding its payment obligations under the Bonds, on or about December 20, 2001, Argentina announced an indefinite moratorium on the payment of principal and interest with respect to all of its foreign debt, including all payments due under the Bonds.

5. The declaration of the moratorium by Argentina and its failure to pay interest constitute "Events of Default" as defined by the 1994 Fiscal Agency Agreement.

6. In addition, Section 12 of the 1994 Fiscal Agency Agreement specifically defines "Events of Default" to include the following:

- (a) Non-Payment: the Republic fails to pay any principal of any of the Securities of such Series when due and payable or fails to pay any interest on any of the Securities of such Series when due and payable and such failure continues for a period of 30 days; or
- (d) Moratorium: a moratorium on the payment of principal of, or interest on, the Public External Indebtedness of the Republic shall be declared by the Republic.

7. Section 12 of the 1994 Fiscal Agency Agreement further provides that following either of the foregoing Events of Default, a bondholder may give Argentina written

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<sup>1</sup> A copy of the 1994 Fiscal Agency Agreement is annexed to the Complaint as Exhibit A.

notice and declare "the principal amount of such Securities held by it to be due and payable immediately," together with all accrued interest.

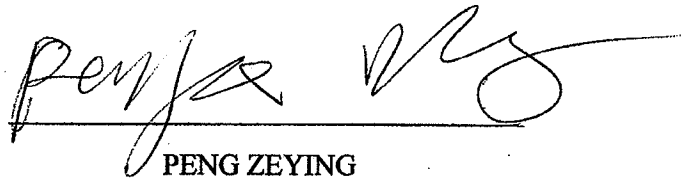
8. By letter dated August 13, 2007, we provided Argentina with written notice that we were declaring the principal and interest on the Bonds to be due and payable. A copy of that letter is annexed hereto as Exhibit 3.

9. Since then, Argentina has failed to make any payment of principal or interest to my uncle and me.

10. By reason of the foregoing, Argentina has defaulted on its obligations, and summary judgment is warranted as against it.

I declare under penalty of perjury under the laws of the United States of America that to the best of my knowledge the foregoing is true and correct.

Dated: November 30, 2007



PENG ZEYING

# **EXHIBIT 1**

## CITICORP FINANCIAL SERVICES CORP

PO Box 70263

San Juan, PR 00936-8263

Phone: (787) 756-4998

Ref: 00003333 02613117

**Client Statement**  
 July 1 - September 30, 2007

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**Bonds**

Unrealized gains & losses have been adjusted to account for the accretion of Old (original issue discount), the amortization of premium, and/or the accretion of market discount.

Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other mandatory and optional redemption features including sinking funds, extraordinary calls or other call provisions.

The research rating for Standard & Poor's and Moody's Investors Service may be shown for certain fixed income securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance.

**International bonds**

| Amount  | Description                   | Date acquired | Cost/Adjusted cost | Share cost/Adjusted share cost | Current share price/acquired interest | Current value | Unrealized Gain/(loss) Original/Adjusted | Current % Yield/Annuity Income (annualized) | Ordinary Income/Capital gain/(loss) |
|---------|-------------------------------|---------------|--------------------|--------------------------------|---------------------------------------|---------------|--|---|-------------------------------------|
| 204,000 | ARGENTINA REP GLOBAL BONDS    | 04/27/07      | \$ 75,110.00       | \$ 97.80                       | 34.00                                 | \$ 89,020.00  | (\$ 6,090.00) ST                         |   | \$ 0.00                             |
|         | BK/ENTRY-DTD 12/04/1968       |               |                    |                                |                                       |               |  |   |                                     |
|         | INT: 11.000% MATY: 12/04/2005 |               |                    |                                |                                       |               |  |   |                                     |
|         | EXCHANGE RATE: 1.0000000      |               |                    |                                |                                       |               |  |   |                                     |
|         | Amount denominated in:        |               |                    |                                |                                       |               |  |   |                                     |
|         | U.S. dollars                  |               |                    |                                |                                       |               |  |   |                                     |
|         | Rating: WR/D                  |               |                    |                                |                                       |               |  |   |                                     |

Please note: Amounts are denominated in the currency of the issue. Price is a function of exchange rate and market price.

Market value is denominated in U.S. dollars. Changes in exchange rate will affect the "face value in U.S. dollars" and market value.



## CITICORP FINANCIAL SERVICES CORP

PO Box 70263  
San Juan, PR 00936-8263 Phone: (787) 756-448

Ref: 000003334 00013119

**Client Statement**  
July 1 - September 30, 2007

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Account number 54X-03574-11 03A

107000003334 307271BA01 CFSFGNFOA  
WOON CHEUNG LEUNG  
PENG ZEYING TEN COM  
LAVALLE 3850 1ER PISO  
CAPITAL FEDERAL, BUENOS AIRES  
C.P.1190  
ARGENTINA

**CFS**  
**CITICORP FINANCIAL SERVICES CORPORATION**  
Your Financial Executive  
CFS 54X  
P. O. BOX 70263  
SAN JUAN PR 00936  
787-756-4998  
Website: www.cfsdirect.com  
Clearing Broker: Citigroup Correspondent Clearing Services ("CCS"),  
a division of Citigroup Global Markets Inc. Member SIPC

Investments and Annuities: • NOT A DEPOSIT WITH OR OBLIGATION OF ANY EIK • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY  
• NOT FDIC INSURED • NO BANK GUARANTEE • SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF PRINCIPAL  
Securities transactions are through your introducing broker, Citicorp Financial Services Corporation (CFS), member NASD/SIPC.  
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| Account value    | Last period | This period | % |
|------------------|-------------|-------------|---|
| Investment Bonds |             |             |   |
| Total Value      |             |             |   |

**Gain/loss summary**  
Original Realized gain or (loss)

Adjusted Realized gain or (loss)  
Unrealized gain or (loss) to date

**Cash, money fund, bank deposits**  
Opening balance  
Deposits  
Withdrawals  
Closing balance  
A free credit balance in any securities account will be paid to you on demand.  
Although properly accounted for on our books and records, these funds may be used for our business purposes.

**Portfolio summary**  
Beginning total value (excl. accr. int.)  
Net security deposits/withdrawals  
Net cash deposits/withdrawals  
Beginning value net of deposits/withdrawals  
Total value as of 9/28/2007 (excl. accr. int.)  
Total return

Accounts carried by Citigroup Correspondent Clearing Svcs.



# **EXHIBIT 2**

## CITICORP FINANCIAL SERVICES CORP

PO Box 70263

San Juan, PR 00936-8263 Phone: (787) 756-4998

Ref: 00003334 00013121

**Client Statement**  
 July 1 - September 30, 2007

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**Bonds**

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount.

Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other mandatory and optional redemption features including sinking funds, extraordinary calls or other call provisions.

The research rating for Standard & Poor's and Moody's Investors Service may be shown for certain fixed income securities. All research ratings represent the "opinion of the research provider" and are not representations or guarantees of performance.

**International bonds**

| Amount  | Description  | Date acquired | Cost/Adjusted cost | Share cost/Adjusted share cost | Current share price/accrued interest | Current value | Unrealized Gain/(loss) Original/Adjusted | Current % YTM/Amortiz. Incur (annualized) | Ordinary Income/Capital gain/(loss) |
|---------|--|---------------|--------------------|--------------------------------|--------------------------------------|---------------|--|---|-------------------------------------|
| 172,000 | ARGENTINA REP GLOBAL BONDS<br>BK/ENTRY-DTD 12/04/1998<br>INT: 11.000% MATY: 12/04/2005<br>EXCHANGE RATE: 1.0000000<br>Amount denominated in:<br>U.S. dollars<br>Rating: WR/D | 04/27/07      | \$ 63,840.00       | \$ 37.00                       | 34.00                                | \$ 68,480.00  | (\$ 5,160.00) ST<br>(\$ 5,160.00) ST     |   | \$ 0.00<br>(\$ 5,160.00)            |

Please note: Amounts are denominated in the currency of the issue. Price is a function of exchange rate and market price.  
 Market value is denominated in U.S. dollars. Changes in exchange rate will affect the "face value in U.S. dollars" and market value.

Member of Citigroup

Accounts carried by Citigroup Correspondent Clearing Services.





## CITICORP FINANCIAL SERVICES CORP

PO Box 70263

San Juan, PR 00936-8263 Phone: (787) 756-4998

Ref: 00003333 00013115

Client Statement  
July 1 - September 30, 2007

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10700003333 307271BA01 CFSFGNFOA  
 PENG ZEYING  
 WOON CHEUNG LEUNG  
 LAVALLE 3850 1ER PISO  
 CAPITAL FEDERAL BUENOS AIRES  
 C.P.1190  
 ARGENTINA

Account number 54X-03573-12 16A

CFCSC  
 CITICORP FINANCIAL SERVICES CORPORATION  
 Your Financial Executive  
 CFCSC 54X  
 P.O. BOX 70263  
 SAN JUAN PR 00936  
 787-756-4998  
 Website: www.cfsdDirect.com  
 Clearing Broker: Citigroup Correspondent Clearing Services ("CCS"),  
 a division of Citigroup Global Markets Inc. Member SIPC.

Investments and Annuities:  
 • NOT FDIC INSURED • NOT A DEPOSIT WITH OR OBLIGATION OF ANY BANK • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY  
 • NO BANK GUARANTEE • SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF PRINCIPAL  
 Securities transactions are through your introducing broker, Citicorp Financial Services Corporation (CFCSC), member NASD/SIPC.  
 CFCSC, Citibank, and Citigroup Global Markets Inc. are affiliated companies under the common control of Citigroup Inc.  
 Citicorp, Citicorp and the Individual Investor are not subject to the same regulatory requirements as banks.  
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| Account value       | Last period         | This period         | %             |
|---------------------|---------------------|---------------------|---------------|
| International bonds | 1,000,000.00        | 1,000,000.00        | 100.00        |
| <b>Total Value</b>  | <b>1,000,000.00</b> | <b>1,000,000.00</b> | <b>100.00</b> |

## Gain/loss summary

| Original Realized gain or (loss)  | This period  | This year    |
|-----------------------------------|--------------|--------------|
| Adjusted Realized gain or (loss)  | 1,000,000.00 | 1,000,000.00 |
| Unrealized gain or (loss) to date | 1,000,000.00 | 1,000,000.00 |

## Cash, money fund, bank deposits

| Opening balance        | This period         | This year           |
|------------------------|---------------------|---------------------|
| Deposits               | 1,000,000.00        | 1,000,000.00        |
| Withdrawals            | 1,000,000.00        | 1,000,000.00        |
| <b>Closing balance</b> | <b>1,000,000.00</b> | <b>1,000,000.00</b> |

A free credit balance in any securities account will be paid to you on demand. Although properly accounted for on our books and records, these funds may be used for our business purposes.

## Portfolio summary

| Beginning total value (excl. accr. int.)       | This period         | This year           |
|--|---------------------|---------------------|
| Net security deposits/withdrawals              | 1,000,000.00        | 1,000,000.00        |
| Net cash deposits/withdrawals                  | 1,000,000.00        | 1,000,000.00        |
| Beginning value net of deposits/withdrawals    | 1,000,000.00        | 1,000,000.00        |
| Total value as of 9/28/2007 (excl. accr. int.) | 1,000,000.00        | 1,000,000.00        |
| <b>Total return</b>                            | <b>1,000,000.00</b> | <b>1,000,000.00</b> |

Member of Citigroup

Accounts carried by Citigroup Correspondent Clearing Services.



# **EXHIBIT 3**

# DREIER<sup>LLP</sup>

ATTORNEYS AT LAW

Cara S. Mittleman  
Direct 212 328 6119  
cmittleman@dreierllp.com

August 13, 2007

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

The Republic of Argentina  
c/o Deutsche Bank, as Fiscal Agent  
60 Wall Street  
New York, NY 10005

Attn: Mr. Stan Burg

**Re: Notice of Acceleration**

Dear Mr. Burg,

We write this letter on behalf of our clients, Peng Zeying and Woon Cheung Leung (together, “Zeying”).

Zeying is the owner of certain bonds issued by the Republic of Argentina (the “Republic”) pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994 (the “Fiscal Agency Agreement”). In particular, Zeying is the owner of the following bonds issued by the Republic:

| <u>Face Amount</u> | <u>ISIN No.</u> |
|--------------------|-----------------|
| \$ 375,000         | US040114AZ32    |

Pursuant to paragraph 12 of the Fiscal Agency Agreement, we hereby provide the Republic with notice that Zeying declares the principal of and interest on the foregoing bonds to be immediately due and payable. The entire corpus and interest earned to date should be forwarded to this firm, as counsel for Zeying.

Very truly yours,



Cara S. Mittleman

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